

Advocacy Comments on EPA's Major and Area Source Boilers Rules

On August 23, 2010, the Office of Advocacy (Advocacy) filed a comment letter to the U.S. Environmental Protection Agency (EPA) discussing small entity concerns with two rulemakings, "National Emission Standards for Hazardous Air Pollutants for Major and Area Sources: Industrial, Commercial, and Institutional Boilers," 75 Fed. Reg. 32,006 and 75 Fed. Reg. 31,896 (June 4, 2010). The proposed rules would set emission limits for major source and smaller, area source boilers for a variety of hazardous air pollutants (HAPs) that are met through the application of control technologies, maintenance requirements, and changes to work practices. The rules set new source performance standards (NSPS) for newly installed units as well as standards for existing units. EPA conducted a Small Business Advocacy Review (SBAR) Panel for the boilers rules in 2009.

A complete copy of Advocacy's letter to EPA is available at: www.sba.gov/advo/laws/comments/.

- EPA should have proposed the Health Based Compliance Alternative (HBCA) that was strongly recommended in the [March 23, 2009 SBAR Panel](#) report. Small entities commented during the panel that the HBCA option would potentially save as much as \$2 billion in capital and annual compliance costs with little to no effect on the environmental benefits of the rule.
- The SBAR Panel report unanimously recommended that EPA propose additional subcategories of boilers because of the broad number and heterogeneity of the boiler types covered by the rule. EPA chose to propose only a limited number of subcategories, including for a limited number of fuel types and combustion processes.
- The SBAR panel report clearly and strongly recommends that EPA take comment on energy audits as a means of improving boiler unit combustion efficiency, but not propose such audits as a requirement of the rule. EPA should have followed the panel recommendations and not proposed the energy audit requirement for major sources without first having solicited comment to help clarify the issue.
- Advocacy is concerned that the emissions standards proposed in the rule are too stringent. EPA chose to set emission standards using limited data with significant variability and a high number of outlier data points that drove the standards toward unreasonably low numbers. Advocacy is concerned that real world facilities will have great difficulty meeting the standards. Furthermore, EPA's choice of impossibly low standards for new sources will serve as a disincentive for small entities to purchase newer, cleaner, more fuel efficient equipment because the standards will drive the cost of such boilers to restrictively high levels.

For more information about EPA's proposed rule, please visit Advocacy's Web page at

www.sba.gov/advo or contact Kevin Bromberg, Assistant Chief Counsel, at (202) 205-6964 (or kevin.bromberg@sba.gov).